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# Treasury Financial Manual

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**Bulletin No. 99-03**

**Volume I**

**Retention Date: December 31, 1999**

**To: Heads of Government Departments, Agencies and Others Concerned**

**Subject: Percentage Rate**

## **1. Purpose**

This Treasury Financial Manual (TFM) bulletin publishes the percentage rate, based on the current value of funds to Treasury, to be used as follows:

- In assessing interest charges for outstanding debts on claims owed the Government under Charges for Late Payments in the Debt Collection Act of 1982 (Public Law 97-365).
- As a comparison point in evaluating the cost-effectiveness of a cash discount. (See I TFM 6-8000, paragraphs "Charges for Late Payments" and "Cash Discounts.")

The Current Value of Funds Rate is published in a TFM bulletin annually.

## **2. Rescission**

This bulletin rescinds TFM Bulletin No. 98-05.

## **3. Rate for Charges on Late Payments and Comparison Point for Cash Discounts**

The percentage rate to be applied during the period January 1 through December 31, 1999, is 5.00 percent.

## **4. Effective Date**

January 1, 1999.

## **5. Supplementary Information**

The rate reflects the current value of funds to the Treasury in Federal cash management and is based on investment rates set for purposes of Public Law 95-147, 91 Stat. 1227. The rate is computed each year by averaging investment rates for the 12-month period ending every September. The rate then goes into effect January 1. It is subject to quarterly revisions if the annual average, on the moving basis, changes by 2 percent. The rate in effect for calendar year 1999 reflects the average investment rates for the 12-month period that ended September 30, 1998.



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## 6. Inquiries

Questions concerning this bulletin should be directed to:

Program Compliance Division  
Financial Management Service  
Department of the Treasury  
401 14th Street, SW.  
Washington, DC 20227  
(Telephone: 202-874-6630)

Date: December 9, 1998

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Richard L. Gregg  
Commissioner

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